

CANCELLATION NOTICE

11/18/2003

Certified/Registered Mail Number:

70031010000497424105

OBLIGEE: STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS & MINING
1594 W NORTH TEMPLE, SUITE 1210
SALT LAKE CITY, UT 84114-0000

PRINCIPAL: BASIN PERLITE COMPANY
C/O MARSH USA
1225 17TH ST STE 2100
DENVER, CO 80202-5521

SURETY: AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY
12377 MERIT DRIVE, SUITE 1400
DALLAS, TX 75251

PRODUCER: MARSH USA INC
1225 17TH ST STE 2100
DENVER, CO 80202

PRODUCER CODE NUMBER:
71-9518

TYPE OF BOND: RECLAMATION

REASON FOR
CANCELLATION: ON 02/27/03, KEMPER DECIDED TO EXIT THE SURETY BOND MARKET.

The undersigned Company executed Bond number ~~XXXXXXXXXX~~ effective 02/26/2003 on behalf of BASIN PERLITE COMPANY C/O MARSH USA in your favor and hereby notifies you that it does hereby cancel said Bond effective 02/26/2004.

This notice is given to you in accordance with the cancellation provision in said Bond.

SURETY: AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY


CRYSTAL GUTIERREZ, Attorney-in-Fact

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NOV 25 2003

DIV. OF OIL, GAS & MINING

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